Lazy H Mutual Water Company

2012 Consumer Confidence Report

Annual Report on Water Quality for 2012

Dated: May 1, 2013

We test the quality of your drinking water for many constituents as required by State and Federal regulations. This report shows the results of our monitoring for the period of January 1 – December 31, 2012.

Este informe contiene información muy importante sobre su agua de beber. Tradúzcalo o hable con alguien que lo entienda bien.

Since 1990, all water utilities in the State of California have been required to distribute to all customers an annual Consumer Confidence Report that provides information regarding the quality of water they served. In 1996, Congress amended the Safe Drinking Water Act and added a similar requirement for a brief annual water quality report.

This report, the *2012 Consumer Confidence Report* (CCR) is more specific and detailed in content. The California Department of Public Health (CDPH), in order to implement state and national policy, oversees the issuance of this report. Lazy H Mutual Water Company (Lazy H) is a community water system providing the public water supply that serves the residents of the Lazy H Community in Pauma Valley. The following report provides information to Lazy H's customers regarding test results available through December 31, 2012.

To receive more information about your water, to ask questions, or to receive additional copies of this report, please call Lazy H's contracted system operators, the Yuima Municipal Water District at (760) 742-3704. Written questions should be addressed to the Mr. Kirk Maher at P.O. Box 177, Pauma Valley, CA 92061.

Board of Directors Meetings

Regular meetings of the Company's Board of Directors are held quarterly (second Tuesday of January, April, July and October) at 3:00 pm at the Yuima MWD office at 34928 Valley Center Road, Pauma Valley. The meetings are open to all stockholders and each monthly agenda has a scheduled meeting time for public comments.

Board of Directors
Kirk Maher, President
Greg West, Vice President
Jack Hall, Treasurer
Rod Hitchcock, Secretary
Lori Johnson, Director

Yuima M.W.D. Support Staff
Linden A. Burzell, Ph.D., Yuima General Manager
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Todd Engstrand, P.E., Director of Operations, Maintenance and Engineering

This report explains:

- ***Where your water comes from***
- ***How water quality is evaluated***
- ***Regulations that protect your health***
- ***How your drinking water measures up against State and Federal drinking water standards for safety, appearance, taste and odor, and***
- ***Where to go if you have questions***

Where your water comes from: Lazy H relies on two main sources: local groundwater and imported surface water. The water quality issues that affect groundwater and imported surface water are somewhat different.

Local groundwater is pumped from two deep underground wells located within the Lazy H Community boundary. The underground aquifer that these wells draw from is known as the Pauma Groundwater Basin. Lazy H currently treats and disinfects its well water using sodium hypochlorite (chlorine). This requirement was mandated by the County of San Diego Department of Environmental Health in 2012.

The Company is not required to do any further treatment, as those agencies must do that use surface water. Surface water by definition is water from lakes and streams usually impounded in open reservoirs where the water is subject to the pollutants in the watershed of its origin.

Lazy H occasionally purchases ***imported water*** from the Yuima Municipal Water District. Yuima, in turn, purchases water from the Metropolitan Water District (Metropolitan) through the San Diego County Water Authority. Metropolitan imports water into Southern California from two sources: a 242-mile long aqueduct that brings water from the Colorado River's Lake Havasu, and a 444 mile-long aqueduct that carries water from the Sacramento-San Joaquin River Delta (State Project). Water from these sources travels to the Metropolitan system through pressurized large diameter pipes, open aqueduct canals and open reservoirs. The supply is then treated at the Robert F. Skinner Filtration Plant located in western Riverside County.

These imported surface water sources are potentially vulnerable to contamination. Metropolitan has

determined that the Colorado River supplies are most vulnerable to recreation, urban/storm water runoff, increasing urbanization in the watershed and wastewater. State Project water supplies are considered most vulnerable to urban/storm water runoff, wildlife, agriculture, recreation and wastewater. A copy of Metropolitan's assessment of these vulnerabilities can be obtained by contacting Metropolitan by phone at (213) 217-6850.

How Water Quality is Evaluated: Water quality is evaluated by performing periodic laboratory analyses on water samples to determine the physical characteristics of the water and the presence or absence of chemical and biological contaminants. Contaminants that may be present in source water include:

- *Microbial contaminants*, such as viruses and bacteria that may come from sewage treatment plants, septic systems, agricultural livestock operations and wildlife.
- *Inorganic contaminants*, such as salts and metals, which can be naturally occurring or result from urban storm water runoff, industrial or domestic wastewater discharges, oil and gas production, mining or farming.
- *Pesticides and herbicides*, which may come from a variety of sources such as agriculture, urban storm water runoff, and residential uses.
- *Organic chemical contaminants*, including synthetic and volatile organic chemicals, which are by-products of industrial processes and petroleum production, and can also come from gas stations, agricultural operations, urban storm water runoff and septic systems.
- *Radioactive contaminants,* which can be naturally occurring or present as a result of contamination from mining and/or other activities.

Additional Information on Drinking Water

All drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of trace amounts of contaminants does not necessarily indicate that the water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the USEPA's Safe Drinking Water Hotline (1-800-426-4791).

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as those undergoing chemotherapy, organ transplant recipients, and those with HIV/AIDS or other immune system disorders, some elderly and infants can be particularly at risk. These people should seek advice about drinking water from their health care providers.

The USEPA/Centers for Disease Control (CDC) guidelines on appropriate means to lessen the risk of infection by Cryptosporidium and other microbial contaminants are available from the Safe Drinking Water Hotline (1-800-426-4791).

ABBREVIATIONS USED IN THIS REPORT

- **PDWS = "Primary Drinking Water Standards"** MCLs and MRDLs for contaminants that affect health along with their monitoring and reporting requirements, and water treatment requirements.
- **SDWS = "Secondary Drinking Water Standards"** Limits established by regulation that set the maximum amount of specific contaminants that affect the taste, odor, or appearance of the drinking water.
- **PHG = "Public Health Goal"** The level of a contaminant in drinking water below which there is no known or expected risk to health. PHGs are set by the California Environmental Protection Agency.
- **MCLG = "Maximum Contaminant Level Goal"** The level of a contaminant level in drinking water below which there is no known or expected risk to health. MCLGs are set by the U.S. Environmental Protection Agency.
- **MCL = "Maximum Contaminant Level"** The highest level of a contaminant that is allowed in drinking water. Primary MCLs are set as close to the PHGs (or MCLGs) as is economically and technologically feasible. Secondary MCLs are set to protect the odor, taste, and appearance of drinking water.
- **MRDL = "Maximum Residual Disinfectant Level"** The level of a disinfectant added for water treatment that may not be exceeded at the consumer's tap.
- **MRDLG = "Maximum Residual Disinfectant Level Goal"** The level of a disinfectant added for water treatment below which there is no known or expected risk to health. MRDLGs are set by the U.S. Environmental Protection Agency.
- **RAL = "Regulatory Action Level"** The concentration of a contaminant which, when exceeded, triggers treatment or another requirement that a water system must follow.
- **N/A** = not applicable.
- **NC** = not collected.
- **ND** = not detectable at testing limit.
- **NTU** = Nephelometric Turbidity Units, a measure of the suspended material in water.
- **ppb** = parts per billion.
- **µg/l** = micrograms per liter.
- **ppm** = parts per million or milligrams per liter.
- **pCi/l** = picocuries per liter (a measure of radiation).
- **CFU/100 ml** = colony forming units per 100 milliliters.
- **µmho/cm** = micromhos per centimeter; a measure of electrical conductivity.
- **TT = "Treatment Technique"** A required process intended to reduce the level of a contaminant in drinking water.

Additional Notes

The sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs and wells. As water travels over the surface of the land or through the ground, it dissolves naturally-occurring minerals and, in some cases, radioactive material and can pick up substances resulting from the presence of animals or from human activity.

In order to ensure that tap water is safe to drink, USEPA and the California Department of Public Health (CDPH) have issued regulations that limit the amount of certain contaminants in water provided by public water systems. CDPH regulations also establish limits for contaminants in bottled water that must provide the same protection for public health.

A *Source Water Assessment* was conducted to determine to which potential hazards Lazy H's wells are most vulnerable; the principal hazards are irrigated agriculture, greenhouse operation, golf courses and other activities involving the storage and application of fertilizers, pesticides and herbicides.

Nitrate: Nitrate in drinking water at levels above 45 mg/L is a health risk for infants of less than six months of age. Such nitrate levels in drinking water can interfere with the capacity of the infant's blood to carry oxygen, resulting in a serious illness; symptoms include shortness of breath and blueness of the skin. Nitrate levels above 45 mg/L may also affect the ability of the blood to carry oxygen in other individuals, such as pregnant women and those with certain specific enzyme deficiencies. If you are caring for an infant, or you are pregnant, you should seek advice from your health care provider. Nitrate levels may rise quickly for short periods of time because of rainfall or agricultural activity.
Nitrate at varying contaminant levels is found in both Lazy H wells. The nitrate level in either well does not exceed the 45 mg/L health risk limit.

Bacteriological Testing: A monthly sample is taken from the Lazy H water system to test for Total Coliform and E-Coli. In 2012, the samples tested positive for Total Coliform on the following dates: June 12, July 12, July 14 and July 16, 2012

Lazy H was issued a Notice of Violation Compliance Order on July 13, 2012 from the County of San Diego Department of Environmental Health (DEH). The Boil Water Order required Lazy H to determine the source of contamination, continue proper disinfection procedures and perform repeat sampling of the water system.

After repeat samples and other monthly samples tested positive for Total Coliform, DEH amended the Lazy H Water Permit to include continuous treatment of its water system starting in August. Since then, the Lazy H well water is continuously treated and disinfected by dosing sodium hypochlorite solution (chlorine). There have been no further issues with the monthly samples taken for bacteriological testing. Yuima staff operators check chlorine residual levels in the system on a routine and regular basis.

Discussion of Vulnerability – Although no contaminants other than nitrates have been detected in the local water supply, the system is still considered vulnerable to activities carried out near the drinking water sources. The most significant identified sources of possible contamination are fertilizer and pesticide use on the citrus and avocado groves in the area surrounding Company wells. All drinking water sources in Lazy H are secured from vandalism by locked gates and fencing with barbed wire.

SAMPLING RESULTS SHOWING THE DETECTION OF LEAD AND COPPER

Lead and Copper (Sample year 2011)	**No. of samples collected**	**90th percentile level detected**	**No. sites exceeding AL**	**AL**	**PHG**	**Typical Source of Contaminant**
Lead (ppb)	5	1	0	15	2	Internal corrosion of household water plumbing systems; discharges from industrial manufacturers; erosion of natural deposits.
Copper (ppm)	5	0.81	0	1.3	0.17	Internal corrosion of household plumbing systems; erosion of natural deposits; leaching from wood preservatives.

Note: Any violation of an MCL or AL is marked with an asterisk.

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Parameter	Units	State or Federal MCL [MRDL]	PHG (MCLG) [MRDLG]	State DLR	Range / Average	Testing Date	Combined Sources Lazy H	Combined Sources Yuima/IDA	Colorado State Project	Major Sources in Drinking Water
Percent State Project Water	%	NA	NA	NA	Range	2012	NA	NA	7-100	
					Average		NA	NA	70.4	
PRIMARY STANDARDS--Mandatory Health-Related Standards										
MICROBIOLOGICAL										
Total Coliform Bacteria	%	5.0	(0)	NA	Range	2012	ND	ND	ND-0.5	
					Average		ND	ND	0.1	Naturally present in the environment
ORGANIC CHEMICALS - none to report										
INORGANIC CHEMICALS										
Aluminum	ppb	1000	600	50	Range	2012	17	ND-680	ND-340	Residue from water treatment process;
					Average		17	36	118.3	natural deposits erosion
Barium	ppb	1000	2000	100	Range	2012	130	ND-160	ND	Oil and metal refineries discharges;
					Average		130	ND	ND	natural deposits erosion
Beryllium	ppb	4	1	1	Range	2012	ND	ND	ND	Discharge from metal refineries, aerospace,
					Average		ND	ND	ND	and defense industries
Copper	ppm	AL = 1.3	0.3	0.05	Range	2012	2.7	ND-11	ND	Internal corrosion of household pipes;
					Average		2.7	3.31	ND	natural deposits erosion
Fluoride	ppm	2.0	1	0.1	Range	2012	0.2	0.2-0.21	0.3-1.1	
					Average		0.2	0.21	0.8	Water additive for dental health
Nitrate (as N) MWD	ppm	10	10	0.4	Range	2012	ND	NA	ND-0.7	Runoff and leaching from fertilizer use; septic tank
					Average		ND	NA	0.1	and sewage; natural deposits erosion
Nitrate (as NO3)	ppm	45	45	20	Range	2012	9.2-32	ND-100	NA	Runoff and leaching from fertilizer use; septic tank
					Average		15.7	44.3	NA	and sewage; natural deposits erosion
Perchlorate	ppb	6	6	4	Range	2012	ND	ND-7.9	ND	
					Average		ND	2.4	ND	Industrial waste discharge
Selenium	ppb	50	(50)	5	Range	2012	5.7	ND-15	ND	Refineries, mines, and chemical
					Average		5.7	ND	ND	waste discharge; runoff from livestock lots
RADIOLOGICALS										
Gross Alpha Particle Activity	pCi/L	15	(0)	3	Range	2011	0.11-2.96	ND-4.5	ND-340	
					Average		1.64	ND	0.6	Erosion of natural deposits
Gross Beta Particle Activity	pCi/L	50	(0)	4	Range	2012	NC	ND-4	ND-6	
					Average		NC	ND	0.8	Decay of natural and man-made deposits
Uranium	pCi/L	20	0.43	1	Range	2011	1.2-3.2	ND-2.6	ND-2	
					Average		2.17	ND	1.4	Erosion of natural deposits
DISINFECTION BY-PRODUCTS, DISINFECTANT RESIDUAL, AND DISINFECTION BY-PRODUCTS PRECURSORS										
Total Trihalomethanes (TTHM)	ppb	80	NA	1	Range	2012	NC	15-29	7.6-70	
					Average		NC	29	35	By-product of drinking water chlorination
Haloacetic Acids (HAA5)	ppb	60	NA	1	Range	2012	NC	3-10	1.3-23	
					Average		NC	10	16	By-product of drinking water chlorination
Total Chlorine Residual	ppm	[4.0]	[4.0]	NA	Range	2012	NC	1.6-1.8	1.5-2.8	
					Average		NC	1.7	2.3	Drinking water disinfectant added for treatment
Bromate	ppb	10	0.1	5.0	Range	2012	NC	NA	ND-11	
					Average		NC	NA	5	By-product of drinking water ozonation
VOLATILE ORGANIC COMPOUNDS										
Trichlorofluoromethane (Freon-11)	ppb	150	700	5	Range	2012	NC	ND-42	ND	Industrial factory discharge; degreasing solvent;
					Average		NC	22	ND	propellant
SECONDARY STANDARDS--Aesthetic Standards										
Aluminum	ppb	200	600	50	Range	2012	ND	ND-680	ND - 340	Residue from water treatment process;
					Average		ND	36	118.3	natural deposits erosion
Chloride	ppm	500	NA	NA	Range	2012	92	8-130	50-100	Runoff/leaching from natural deposits;
					Average		92	69	80.8	seawater influence
Color	Units	15	NA	NA	Range	2012	ND	ND-7.5	1-2	
					Average		ND	ND	1	Naturally occurring organic materials
Iron	ppb	300	NA	100	Range	2012	0.044	ND-12	ND	
					Average		0.044	0.6	ND	Leaching from natural deposits; industrial wastes
Manganese	ppb	50	NL = 500	20	Range	2012	1.6	ND-0.12	ND	
					Average		1.6	0.04	ND	Leaching from natural deposits
Odor Threshold	TON	3	NA	1	Range	2012	ND	ND-1	1-2	
					Average		ND	ND	2	Naturally-occurring organic materials
Specific Conductance	µS/cm	1600	NA	NA	Range	2012	850	340-1200	340-930	Substances that form ions in water;
					Average		850	744	618	seawater influence
Sulfate	ppm	500	NA	0.5	Range	2012	120	9-280	27-160	Runoff/leaching from natural deposits;
					Average		120	130	98.8	industrial wastes
Total Dissolved Solids (TDS)	ppm	1000	NA	NA	Range	2012	570	240-870	240-500	Runoff/leaching from natural deposits;
					Average		570	507	380	seawater influence
Turbidity	NTU	5	NA	NA	Range	2012	0.29	ND-12	ND-0.1	
					Average		0.29	ND	ND	Soil runoff
Zinc	ppm	5.0	NA	0.05	Range	2012	76	ND-0.05	ND	Runoff/leaching from natural deposits;
					Average		76	ND	ND	industrial wastes
UNREGULATED CHEMICALS REQUIRING MONITORING OTHER PARAMETERS										
CHEMICAL										
Alkalinity	ppm	NA	NA	NA	Range	2012	150	76-160	53-120	
					Average		150	126	88	
Boron	ppb	NA	NL = 1000	100	Range	2012	NA	NA	130-170	Runoff/leaching from natural deposits;
					Average		NA	NA	142	industrial wastes
Calcium	ppm	NA	NA	NA	Range	2012	73	29-140	16-53	By-product of drinking water chloramination;
					Average		73	75	35.8	industrial processes
Corrosivity (l) (as Aggressiveness Index)	AI	NA	NA	NA	Range	2012	11	12	11.9-12.3	Elemental balance in water; affected
					Average		11	12	12.1	by temperature, other factors
Hardness (as CaCO3)	ppm	NA	NA	NA	Range	2012	310	85-520	78-270	
					Average		310	275	156	
Magnesium	ppm	NA	NA	NA	Range	2012	24	5-41	11-21	
					Average		24	22	16	
pH	pH Units	NA	NA	NA	Range	2012	7.22	7.2-8.1	7.9-8.6	
					Average		7.22	7.5	8.2	
Potassium	ppm	NA	NA	NA	Range	2012	4.8	6-7.2	2.3-4.1	
					Average		4.8	6.6	3.3	
Sodium	ppm	NA	NA	NA	Range	2012	46	17-90	43-82	Salt present in the water and is generally
					Average		46	50	67.2	naturally occurring
TOC	ppm	TT	NA	0.30	Range	2012	NC	NA	1.7-2.7	
					Average		NC	NA	2.2	Various natural and man-made sources
N-Nitrosodimenthylamine (NDMA)	ppb	NL=0.01	0.003	0.002	Range	2012	NA	NA	ND-6.7	By-product of drinking water chloramination;
					Range		NA	NA	ND-6.7	industrial processes

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